

# Town Centre Management: a solution to the challenges facing urban centres?

## Abstract

**Purpose** – The purpose of this paper is to explore the experience of towns which utilize Town Centre Management (TCM) initiatives. The findings which emerge offer insights into how TCM can aid the development of urban centers.

**Design/methodology/approach** - This paper presents qualitative research conducted with public servants charged with the delivery of TCM initiatives in Northern Ireland (NI).

**Findings** – The paper presents multiple perspectives on the purpose, process, benefits and challenges of TCM, specifically the TCM initiative in NI.

**Practical implications** - The paper presents evidence of the success of TCM in each of the participating urban centres.

**Originality/value** – The paper focuses on research which seeks to enhance the understanding of TCM initiatives. This research indicates that TCM (with the right stakeholders) is a viable alternative to town planning, regeneration and management.

**Keywords** Town Centre Management, planning, sustainable development, Ireland

**Paper type** Research paper

## Introduction

Towns in Ireland have experienced rapid growth in terms of: population; the number of service providers; the range of social and cultural amenities; the development of infrastructure and growth in the retail sector (with an influx of both national and international retailers). However, there have been difficulties as investment in infrastructure has lagged behind the rapid rate of development especially in relation to housing. The towns post *Celtic Tiger* typically have an over supply of housing and retail units, many new houses/housing estates are uninhabited, numerous retail units are empty and many of those that are in use are at risk due to high rents. Unemployment has increased and large companies who established or moved their business to these towns during the *Celtic Tiger* are starting to encounter financial difficulties. Moving forward

towns in Ireland require a plan and a set of strategies and policies that can address the challenges faced by businesses, consumers, marginalized groups, the unemployed and community and voluntary groups. This research is intended to act as a stimulus to strategic debate about the development of towns in Ireland by exploring the possibility of using TCM. In this study findings from qualitative research conducted to explore the experiences of town centre managers in NI are presented. The result is multiple perspectives on the purpose, process, benefits and challenges of TCM. The findings which emerge offer insights into how TCM can aid the development of urban centres.

## **Town Centre Management**

Town centres are central to the development of local economies. Town centres have multiple uses including: retailing, housing, entertainment and a mix of civic, administrative and professional services (Peel, 2003). Balsas (2004) explains that very often these centres experience periods of growth, counter-balanced with periods of decline, as is being witnessed at present in Ireland. During periods of decline, urban areas are faced with development and planning issues such as vacant retail units and vacant housing units which affect the ability of the centre to maintain what (Balsas, 2004) refers to as a town centre's *viability and vitality* (the ability to attract investment). Paddison (2003) and Morgan (2008) emphasize that the vitality and the viability of towns are of relevance to a wide range of stakeholders. The combined partnership between the public and the private sector that TCM offers provides an opportunity to maintain, improve and regenerate the vitality and viability of town centres and TCM has become a successful way to manage urban centres (Pal and Sanders 1997; Hogg *et al.* 2004). Furthermore, Diamond (2002) and Whyatt (2004) note that all parties who have an interest in improving the experience within a town for all of its users must act in partnership to achieve their objectives. The parties that have an interest in town centres are typically: the police service, private sector businesses, public sector organisations, community and voluntary organisations, the retail sector, the population of the town and its hinterland and visitors to the town.

Many towns and cities in the United Kingdom (UK) have adopted a strategic approach to planning, developing and maintaining the vitality and viability of town centres. This approach is known as TCM and operates with the inclusion of all stakeholders and includes both the public and private service sectors (Stubbs *et al.*, 2002). According to Warnaby *et al.* (1998) TCM is an approach to the strategic planning and development of town centres, which is initiated by a partnership of all stakeholders. Whyatt (2004, p. 252) defines TCM as:

*'Gathering and sharing market information, enabling stakeholders to work together in the strategic planning process, setting up formal and informal communication and social networks between partners, training the town's stakeholders/employees to implement the regeneration strategy and maintain a marketing orientation, and evaluating success, in order to both motivate all involved and to assess progress.'*

Balsas (2007) reports that urban centres are being subjected to major revitalization operations. These operations include housing, retail and public space improvements. Furthermore, Aelbrecht (2010) proposes that the nature and conceptualization of space and public life is becoming increasingly challenging and problematic. According to Otsuka and Reeve (2007) in contemporary approaches to (re)generation, the town centre has become much more than a retail outlet: it has become a viable foundation for ensuring funding, mainly because it offers different types of opportunities such as business and job creation and housing development. The majority of towns in Ireland have these resources at present, but the towns require a system to be put in place to ensure these resources are used to the maximum potential. Towns and cities face a unique set of problems and opportunities in getting from where they are now to where they need to go and a long-term perspective is required (ATCM, 2007; Hogg *et al.*, 2004).

Warnaby *et al.* (2005) and de Nisco *et al.* (2008) explain that TCM is one of the primary ways in which urban areas can counter the threat of increased competition from alternative locations. Initially, TCM was used to manage the retail sector of an urban area. Medway *et al.* (2000) explain that the concept of TCM has been adopted by urban centres throughout the UK as a means to counteract the growing model of out-of-town retailing. Reeve (2004) noted that many TCM schemes are dominated by the retail environment. However, Otsuka and Reeve (2007) explain that TCM is being utilised in more diverse circumstances. The use of TCM ranges from the day-to-day maintenance of urban centres to strategic contributions to economic regeneration/development. Maintaining dynamic towns and city centres helps to protect the current economic activity as well as ensuring future success (Hogg *et al.*, 2004). Decision-makers must develop a clear vision and actively plan to take advantage of the new opportunities that manifest themselves. Developing appropriate strategies is important because these strategies help partners and stakeholders define their vision, objectives and to plan effectively. Otsuka and Reeve (2007) claim that the capacity of TCM to regenerate a town centre depends on the nature of the strategy applied and on the challenges that currently face the town. Mintzberg (1994) maintained that the dilemma of how to plan effectively faces all organizations. This is also true for urban areas that are reacting to the current challenges. The planning process has been identified by Bean and Kuh (1984) as a process which comprises three phases: phase one is the initiation of planning, which involves identifying the factors, issues and limitations of the planning process and in the case of TCM identifies the relevant stakeholders. The second phase is the development stage, which involves identifying the methods and actions required to develop the plan and design the strategies for implementation. The final phase is implementation. The implementation of a plan will enable an urban centre to guide its path into the future. Negben (1991) and (Goho and Webb, 2003) comment that the success of any planning process relies on effective communication between all parties during each stage of the planning process. This is especially true for TCM, as it operates with the inclusion of a variety of stakeholders.

## Methodology

Much of both the academic and practitioner literature on TCM has focused on descriptive case studies of specific schemes (see as, examples, Balsas 2004; Hogg *et al.*, 2004; Paddison 2003). In this study an alternative approach is adopted. The paper focuses on current practice in NI and explores how a TCM scheme can be utilized in other urban areas. Data was collected through a postal questionnaire. The questionnaire examined three issues relating to TCM: the rationale for adopting TCM; the impact of TCM; and the role of TCM in the future of the town. All the questions were open ended and narrative structuring (Kvale, 1996) was used to create a coherent story of the respondents' experience(s) of TCM. The questionnaire was circulated to the eighteen towns involved in TCM initiatives in NI. A response rate of seventy eight percent was achieved (14/18). Urban areas in NI were chosen because of their similarity in terms of: layout, governance, stakeholders and economic conditions. The towns in which these schemes are in operation vary in size and in the duration of their participant in TCM. The duration of operation of the TCM schemes within the towns and cities ranged from four to thirteen years. The population of the towns ranged from 13,500 to 77,000. This paper explores the thoughts and opinions of the participants in NI, further research into the experience of TCM initiatives could include the collection of quantitative data to compliment understanding of the impact of TCM.

## The impact of TCM

Each town had individual reasons for becoming involved in TCM but two common themes emerged: firstly, towns participating in a TCM scheme were concerned with ensuring a co-coordinated approach to development and secondly, the towns wanted to achieve the regeneration and development of their urban area. One reason for developing TCM was to:

*'Deliver a coordinated approach to the regeneration and development of the town centre in conjunction with the public, private and community/voluntary sectors and to readdress the decline of the town centre and to attract new investment to the town centre.'*

Respondent A

Furthermore, two respondents explain that they participate in a TCM scheme:

*‘To provide strategic co-ordination of town centre regeneration and as a delivery vehicle for the council to implement its economic development initiatives focused on the city centre.’*

Respondent C

*‘To make a positive response to the general decline in town centre activity caused at least in part by the growth of out of town retail development.’*

Respondent F

The town centre managers in this study perceive TCM as an excellent opportunity to bring about significant change in the physical quality of their towns. Although many of the TCM schemes were focused on improving the public realm, these improvements helped to drive change in the economy through a reduction in derelict and vacant units.

One respondent noted that:

*‘The scheme has helped to secure funding to improve the public realm which in turn improved the local economy i.e. new businesses, new jobs and new income.’*

Respondent D

This was further evidenced by another respondent who observed that:

*‘Due to an uplift of the physical quality of the town, there has been more investment in town centre retail space, with a higher occupancy of retail space.’*

Respondent A

Another respondent explained:

*‘Since the adoption of TCM, we have had public realm schemes which have rejuvenated the town centre. Because of this change, there has been growth in the local economy.’*

Respondent I

These responses indicate that if TCM was introduced then urban areas could reasonably expect to benefit from: increased town activity; access to new/additional funding; and access to new private investment. During the economic difficulties (2008-2010) the respondents have witnessed a change in both the economic and physical quality of their town. The towns are currently confronted by challenges, which include: out-of-town shopping and development; vacant properties; less business start-ups; and reduced access to funding. Urban areas are facing an uncertain future. One respondent suggested that:

*‘Without it [TCM] it would become difficult to gain investor confidence [and/or] to attract private sector development, which is necessary to retain public confidence in the town and to counter out-of-town development.’*

Respondent E

The common threats noted are: out of town retailing and development; vacant properties; and current economic problems. This research indicates that although urban areas in NI are facing an uncertain future, they are already preparing and implementing changes to prepare for the future, this is due in part to the partnership approach they have adopted. Furthermore, the economic downturn has made it more difficult to secure funding for projects to regenerate urban centres. Respondents indicated that the correct partnership approach and structure needs to be adopted to ensure TCM can operate to achieve its potential. It is important that local stakeholders with the energy and vision to lead the town become involved.

One respondent when asked what advice could be offered to those areas in need of revitalization or towns thinking about adopting a partnership approach indicated that:

*‘The most important thing is to get the right partnership approach and structure in place.’*

Respondent B

In addition, it is important that the focus of the partnership varies as changes occur to the economic and physical profile of the town. The right combination of stakeholders should help to identify changes in the town environment and identify prevention tactics and/or an appropriate response.

Although respondents were in the main positive about TCM, some criticisms emerged during the interviews. It is evident from the respondents that the role the stakeholders play in the development of TCM is a crucial one. However, this approach can create challenges. Respondents indicated that the partnership approach that TCM relies on works when there is a common issue to be resolved:

*‘In order to make an impact there must be a joint approach - private and public bodies can mix well when there is a common issue.’*

Respondent E

With so many stakeholders from a variety of backgrounds, there may not always be a common issue. With multiple stakeholders come multiple perspectives. When there is not a common issue a division in the views of the stakeholders may arise:

*‘There is a fragmented approach to dealing with issues which arise’*

Respondent H



A criticism of TCM came from the towns which have been participating in TCM for less than five years. These respondents remarked on the difficulty in maintaining the sustainability of the scheme. Two respondents (participating in TCM for 4/5 years) noted that:

*‘Like all initiatives, sustainability can be an issue.’*

Respondent I

*‘It is important that we continue to work within the locality to ensure sustainability.’*

Respondent F

Contrary to this, those participating for a longer period (greater than five years) did not report the challenge of sustainability.

### **Adopting a TCM approach**

The responses predominantly provide evidence of the success of TCM in each of the participating urban centres. Each of the participating town centre managers are in favour of TCM as a partnership approach to development. Four main findings emerge from the research in relation to the operation and successes of TCM. The four are:

1. There is currently no method of measuring the success/failure of the scheme or its impact. Therefore, there is a need to measure the effectiveness of the scheme;
2. The respondents view TCM as a means of regenerating the physical setting of a town and their approach is to attract funding for the improvement of the public realm;
3. The economic downturn has made it more difficult to attract funding and investment. Urban centres in NI participating in a TCM scheme are facing the same issues as other urban centres: vacancy rates, a growing out-of-town retailing environment, online retailing and the inability to gain investment; and

4. The ability to transfer knowledge between stakeholders can develop a strong relationship. But it can also lead to difficulties in the decision making process due to conflicting perspectives on issues.

Based on the evidence from this research, five recommendations are made in relation to the adoption of a partnership approach, such as TCM. First, it is important that the right partnership approach is adopted. Roberts (2002) explains that one of the main problems encountered by those stakeholders involved in urban revitalization is a lack of agreement on the relevant issues. Each stakeholder must have the ability to generate ideas and work together on developing the town to its best potential. This finding is in line with Stephens *et al.* (2007). Defining and identifying the issues to be addressed makes it easier to attract all the appropriate stakeholders. A strategy on the active involvement of the stakeholders will enable the sharing of the decision making between the stakeholders (de Nisco *et al.* 2008). Second, there is a need to introduce a system to measure the effectiveness of the scheme. There are currently no common methods used to measure the effectiveness of TCM schemes. Whyatt (2007) reports that the impact of TCM is measure using a variation of factors including: the level of funding received, number of units vacant and the cleanliness of the town centre (Pal and Sanders, 1997). A measurement approach that could be used is Key Performance Indicators as recommended by Peel (2003). Third, the role of TCM in the towns is too focused on the public realm and the physical setting of the town. It is evident from the research that participating towns use TCM as a means to change and improve the physical quality of the town. Introducing a partnership approach to town planning offers the opportunity to do more than improve the public realm. It provides an opportunity to develop sites for civic or public amenities and to attract suitable investment. Fourth, this research supports the findings of ATCM (2002) that sustainable external funding has become harder to attract. Towns who decide to participate in TCM need to find ways to fund developments and implement change within their own scheme. This is a particular challenge in jurisdictions where town councils have limited delegated authority to generate income through charges and/or taxation. Therefore, the effectiveness of TCM would be dependant on the ability of towns to generate income through sponsorship, donations and voluntary contributions. Fifth,

and finally, the focus of the scheme must continually adapt to the changing needs and requirements of the urban centre. To achieve this it is necessary for towns to consult on an ongoing basis the views of all stakeholders. This is an achievable aim and success has been achieved by: Webocracy in Wolverhampton, Madrid Participa, the Colorful Flanders project, the Roundtable initiative in Manitoba, and the Queensland initiative.

## **Conclusion**

Bensimon *et al.* (2004) argue that essentially, solutions for closing the gap between research and practice involve two issues. First, there is a need to study problems that are of greater relevance to policy-makers and practitioners. Second, there is a need to broaden the ways in which research findings are disseminated. Therefore, in this paper recommendations are presented which are of use to planners, policy makers and the stakeholders of urban areas. The findings from this research indicate that TCM can become much more than an activity which focuses only on the retail sector of the economy. It is an opportunity to: regenerate an area; to bring vitality and viability; and to respond to problems. These problems include: infrastructure deficits; incomplete housing projects and unsustainable retail developments. Towns in NI are preparing for the future and each have their own plans for improvement and redevelopment to aid economic growth. It is vital that all the stakeholders in a town's development understand and can adapt to the changing competitive environment (Hutchinson, 2001). TCM can put in place a range of policies, advice, support and approaches that can help to keep town centres attractive during times of difficulty and uncertainty. It is important that the future is planned for by exploiting existing and emerging opportunities to create vibrant and economically sustainable communities. Therefore, those involved in planning and managing town centres should think about the types of activities and sectors that offer the best opportunities for growth within the locality. Sustainable competitive advantage is dependant on the total offering of a town. It is important that the scheme in place matches the needs of the town and facilitates the changes required. That is why for towns to adopt TCM there is a need to focus on strategic planning and development rather than on retailing, as is currently the case. To do this, the scheme must follow the planning process as identified by Bean and Kuh (1984) and ensure that the process of progression from

each phase is not carried out in isolation. But instead it is a gradual process that includes all stakeholders in each phase. TCM can become a viable compliment to town planning, regeneration and management of towns but it will only be a success with the attraction of the right partners that can drive change.

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